

### **Timeline for CY 2015 Contract Terminations Based on Low Star Ratings**

The Centers for Medicare & Medicaid Services (CMS) has the authority to terminate Medicare Advantage organization (MAO) and stand-alone Prescription Drug Plan (PDP) sponsor contracts that have failed to achieve summary ratings of three stars or better in at least one year in a three-year period. CMS adopted this authority (42 C.F.R. §§ 422.510(a)(4)(xi) and 423.509(a)(4)(x)<sup>1</sup>) through rulemaking in April 2012, and established that we would begin to terminate contracts at the end of 2014 based on the 2013, 2014, and 2015 star ratings (released in the fall of 2012, 2013, and 2014, respectively). CMS has adopted the following timeline for the implementation of contract terminations that will be effective at 11:59 PM on December 31, 2014.

<b>DATE</b>	<b>EVENT</b>
December 13, 2012	CMS issued corrective action request letters to all organizations holding contracts that achieved a Part C or D summary rating of less than three stars for the 2013 star rating period.
April 17, 2014	CMS issued corrective action request letters to all organizations holding contracts that achieved a Part C or D summary rating of less than three stars for the 2014 star rating period.
June 2, 2014	CY2015 plan bids due. LPI plans had first opportunity to non-renew or consolidate.
July 18-July 21, 2014	Organizations have a second crosswalk exception opportunity
End of August/Early September 2014	CMS makes 2015 star ratings preview information available to MAOs and PDP sponsors.
September 26, 2014	Deadline by which an organization may request that CMS mutually agree to a termination of a contract with consistently low ratings.
September 30, 2014	Target date for termination notices to be issued to MAOs and PDP sponsors that meet the criteria for consistently low star ratings. <i>(CMS has issued corrective action requests to all low-rated contracts each year since 2012, so CMS has already met its obligation under 422.510(c) and 423.509(c) to afford organizations time to come into compliance before termination.) (By regulation, CMS may issue notice as late as November 17, 2014, for a December 31, 2014, effective date.)</i>
October 15, 2014	Deadline for MAOs and PDP sponsors to request a hearing to challenge CMS' termination decision. [422.662(b); 423.651(b)] <i>(Request for an appeal stays the effective date of the termination pending a final decision on the matter. [422.664(a); 423.652(a)])</i>
October 15, 2014	2015 Annual Election Period begins.
November 14, 2014	Regulatory deadline by which CMS Hearing Officer must schedule a hearing requested on October 15, 2014. [422.670(a)(1); 423.655(a)(1)]
* November 15, 2014	Target date for MAO or PDP sponsors to issue notices to the general public and to members of plans offered under contracts scheduled for termination. [422.510(b)(1)(ii) (iii); 423.509(b)(1)(ii) and (iii)] <i>(By regulation, organizations may issue notices as late as December 1, 2014.)</i>

<sup>1</sup> Citations in this document reflect revised codification resulting from the publication of the final rule, CMS-4159-F, on May 23, 2014.

<b>DATE</b>	<b>EVENT</b>
November 17, 2014	Regulatory deadline for CMS to issue contract termination notices with an effective date of December 31, 2014, to MAOs and PDP sponsors. [422.510(b)(1)(i); 423.509(b)(1)(i)]
* December 1, 2014	Regulatory deadline for MAO or PDP sponsor to issue notices to the general public and to members of plans offered under contracts scheduled for termination. [422.510(b)(1)(ii) (iii); 423.509(b)(1)(ii) and (iii)]
December 7, 2014	2015 Annual Election Period ends.
December 8, 2014	Non-renewal Special Election Period (SEP) begins, including SEP for CMS-initiated contract terminations. [422. 62(b)(1); 423.38(c)(6)]
* December 31, 2014, 11:59 PM	MAO or PDP sponsor contract terminations become effective.
No Established Deadline	CMS Hearing Officer issues decision.
15 Days After Hearing Officer Issues Decision	Deadline by which MAO or PDP sponsor may request a review by the Administrator of a decision by the Hearing Officer to uphold CMS' termination decision. [422.692(a); 423.666(a)]
30 Days After Administrator Receives Request for Review	Deadline by which Administrator must make determination whether to accept the matter for review. [422.692(c); 423.666(c)]
No Established Deadline	Administrator issues decision on MAO or PDP sponsor's appeal.
No Established Deadline	Members of the terminating plan have a SEP which begins 1 month prior to the effective date of the termination and ends 2 months following the effective date of the termination. Plans also have to notify members of the termination 1 month prior to the effective date of the termination. [422. 62(b)(1); 423.38(c)(6)]

\* Not applicable to MAOs or PDP sponsors that have requested an administrative hearing.